

# REDEVELOPMENT AGENCY

## Kathy Thomas

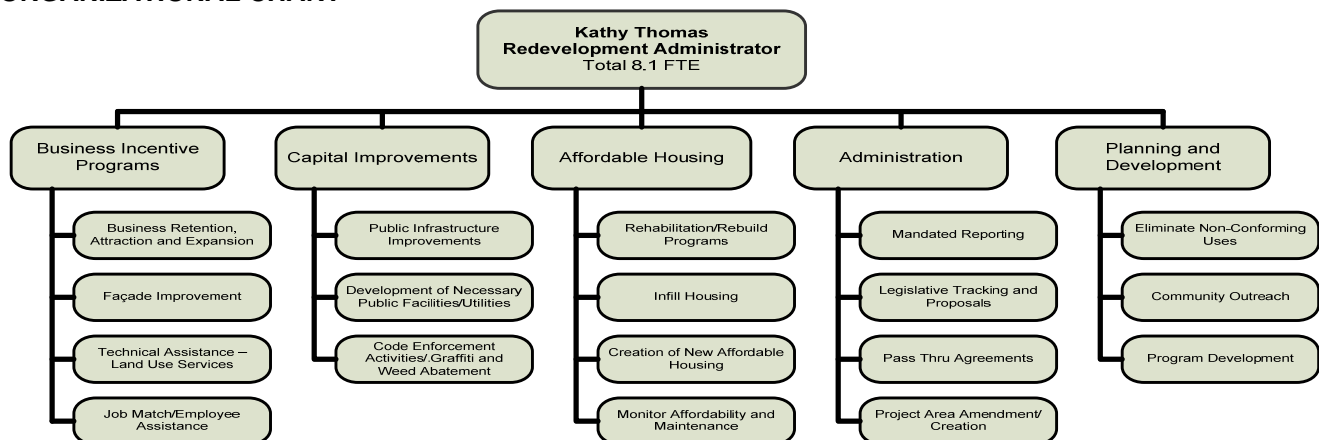
### MISSION STATEMENT

The County of San Bernardino Redevelopment Agency (CoRDA) serves as a catalyst to revitalize communities within established redevelopment project areas by: improving infrastructure, retaining and expanding opportunities for existing businesses, attracting new businesses and private investment, creating new jobs and affordable housing and improving the living conditions of residents. Through coordinated efforts with county departments and other jurisdictions, CoRDA implements strategic programs and projects that advance economic opportunities and foster a sense of community pride.

### STRATEGIC GOALS

1. Develop and implement inclusionary and replacement housing programs/projects to meet such needs and to increase, improve and preserve the redevelopment project areas' housing stock.
2. Assist in the development of capital improvements to eliminate and prevent the acceleration of physical blight and encourage the better utilization of real property and new private enterprise investment.
3. Assist in the development of business incentive programs to reconstruct, upgrade and expand commercial areas in conformance with the general plan (as amended) and community plans.
4. Effectuate the comprehensive planning, redesign, replanning, reconstruction, and/or rehabilitation of project areas in such a manner as to facilitate a higher and better utilization of land uses in accordance with the general plan.

### ORGANIZATIONAL CHART



### SUMMARY OF BUDGET UNITS

|                                      | 2008-09       |            |              |          |
|--------------------------------------|---------------|------------|--------------|----------|
|                                      | Appropriation | Revenue    | Fund Balance | Staffing |
| <b>Redevelopment</b>                 |               |            |              |          |
| Speedway Project Area                | 60,153,467    | 14,024,567 | 46,128,900   | 8.1      |
| Cedar Glen Project Area              | 10,404,562    | 836,460    | 9,568,102    | -        |
| VVEDA Project Area                   | 1,400,576     | 256,105    | 1,144,471    | -        |
| Mission Boulevard Joint Project Area | 149,843       | 24,570     | 125,273      | -        |
| Total Other Agencies                 | 72,108,448    | 15,141,702 | 56,966,746   | 8.1      |

Detailed information for each budget unit follows, along with a description of the services provided, budget unit history and applicable performance measures.



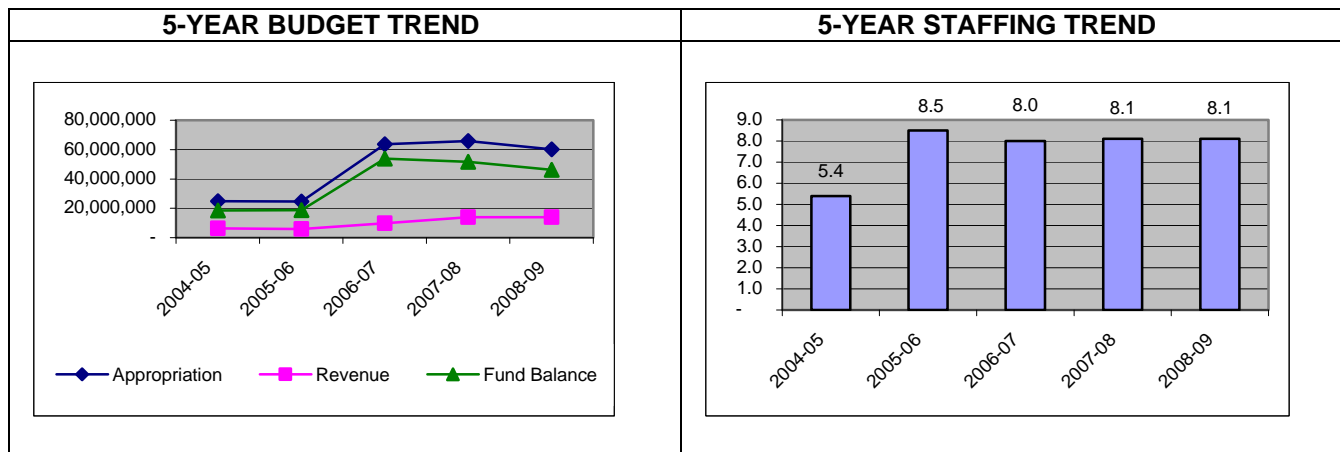
## Speedway Project Area

### DESCRIPTION OF MAJOR SERVICES

In 1995, the former Kaiser Steel Mill site and other blighted industrial properties in its vicinity were formed to create the San Sevaire Redevelopment Project Area, currently known as the *Speedway Redevelopment Project Area* (Speedway). The Speedway was amended in 2004 and 2005 to add additional territory resulting in a total acreage of 3,426 acres.

San Sevaire Bond Series 2005 A was funded in December, 2005 with net proceeds of \$34,691,164. Projects to be undertaken with these bond proceeds include assistance in the improvement of public infrastructure (work on the Etiwanda/San Sevaire Flood Control Channel (South), West Fontana Flood Control Channel, road work on the Cherry/I-10 interchange, road construction on Cherry and San Bernardino Avenues), the development of public facilities such as the construction of a fire station, land acquisition, and economic incentives for businesses within the project area and acquisition of new business for the area. Proceeds allocated for housing projects will be used for home rehabilitation programs, land acquisition, infill housing programs and affordable housing development assistance.

### BUDGET HISTORY



### PERFORMANCE HISTORY

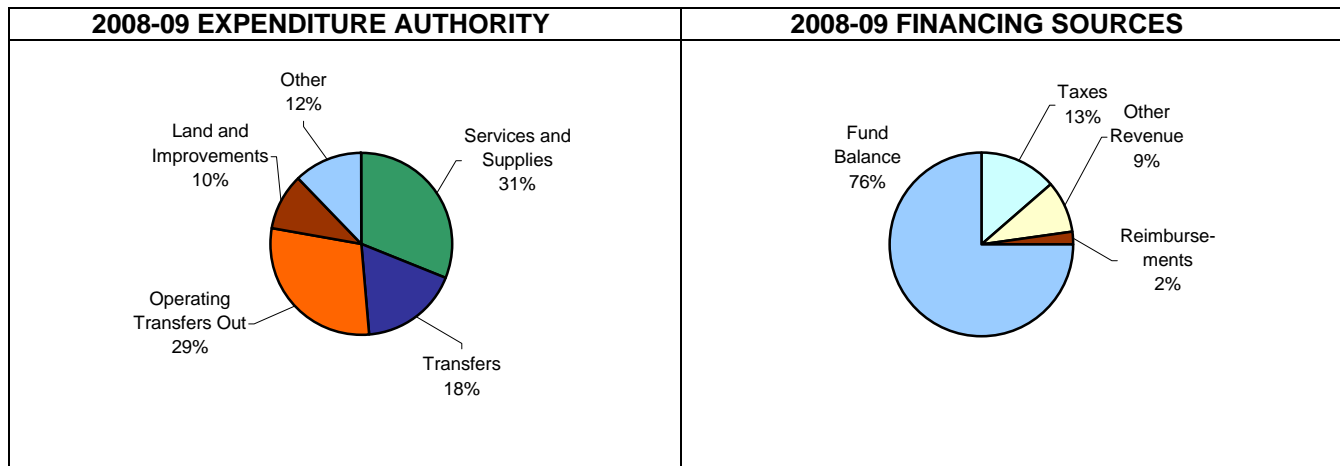
|                      | 2004-05<br>Actual | 2005-06<br>Actual | 2006-07<br>Actual | 2007-08<br>Modified<br>Budget | 2007-08<br>Estimate |
|----------------------|-------------------|-------------------|-------------------|-------------------------------|---------------------|
| Appropriation        | 9,387,758         | 6,243,814         | 18,281,948        | 65,759,453                    | 19,816,116          |
| Departmental Revenue | 9,796,641         | 43,657,573        | 14,007,700        | 14,027,786                    | 14,213,349          |
| Fund Balance         |                   |                   |                   | 51,731,667                    |                     |
| Budgeted Staffing    |                   |                   |                   | 8.1                           |                     |

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, expenditures in these funds are typically less than budget. The amount not expended is carried over to the subsequent year's budget.

The Agency saw a large increase in revenue in 2005-06 due to the San Sevaire Bond Series 2005 A being funded in December 2005 with net proceeds of \$34,691,164. Per the official statement of this bond series, these funds can only be spent on designated capital improvement projects. In 2007-08, departmental revenue is anticipated to be slightly higher than budget due to an increase in interest revenue.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Economic Development  
 DEPARTMENT: Redevelopment Agency  
 FUND: Speedway Project Area

BUDGET UNIT: DBR, SPD, SPE, SPF & SPH  
 FUNCTION: General  
 ACTIVITY: Other General

|                             | 2004-05<br>Actual | 2005-06<br>Actual | 2006-07<br>Actual | 2007-08<br>Estimate | 2007-08<br>Final<br>Budget | 2008-09<br>Proposed<br>Budget | Change<br>From<br>2007-08<br>Final<br>Budget |
|-----------------------------|-------------------|-------------------|-------------------|---------------------|----------------------------|-------------------------------|--|
| <b>Appropriation</b>        |                   |                   |                   |                     |                            |                               |  |
| Salaries and Benefits       | 349,242           | 637,585           | 508,835           | 695,300             | 928,317                    | 939,563                       | 11,246                                       |
| Services and Supplies       | 2,308,372         | 1,072,206         | 475,374           | 2,094,790           | 18,351,009                 | 18,650,858                    | 299,849                                      |
| Central Computer            | 317               | 145               | 4,418             | 9,203               | 9,203                      | 10,195                        | 992  |
| Travel                      | -                 | -                 | -                 | -                   | -                          | 12,900                        | 12,900                                       |
| Other Charges               | 1,648,769         | 1,909,571         | 3,797,350         | 3,758,750           | 3,758,750                  | 3,794,450                     | 35,700                                       |
| Land and Improvements       | -                 | 2,666,186         | 7,082,238         | 6,000,000           | 6,000,000                  | 6,000,000                     | -  |
| Equipment                   | -                 | 14,388            | -                 | -                   | -                          | -                             | -  |
| Transfers                   | 471,924           | 454,027           | 3,010,406         | 4,022,516           | 9,201,576                  | 10,646,998                    | 1,445,422                                    |
| Contingencies               | -                 | -                 | -                 | -                   | 3,891,241                  | 3,891,241                     | -  |
| Total Exp Authority         | 4,778,624         | 6,754,108         | 14,878,621        | 16,580,559          | 42,140,096                 | 43,946,205                    | 1,806,109                                    |
| Reimbursements              | (202,237)         | (719,979)         | (527,562)         | (575,631)           | (1,392,212)                | (1,320,355)                   | 71,857                                       |
| Total Appropriation         | 4,576,387         | 6,034,129         | 14,351,059        | 16,004,928          | 40,747,884                 | 42,625,850                    | 1,877,966                                    |
| Operating Transfers Out     | 4,811,371         | 209,685           | 3,930,889         | 3,811,188           | 25,011,569                 | 17,527,617                    | (7,483,952)                                  |
| Total Requirements          | 9,387,758         | 6,243,814         | 18,281,948        | 19,816,116          | 65,759,453                 | 60,153,467                    | (5,605,986)                                  |
| <b>Departmental Revenue</b> |                   |                   |                   |                     |                            |                               |  |
| Taxes                       | 4,661,700         | 12,785,281        | 15,843,219        | 8,206,328           | 8,574,336                  | 8,288,391                     | (285,945)                                    |
| Use Of Money and Prop       | 396,409           | 1,185,010         | 2,486,621         | 2,035,936           | 1,094,700                  | 1,346,800                     | 252,100                                      |
| State, Fed or Gov't Aid     | 170               | 3,818             | 2,502             | -                   | -                          | -                             | -  |
| Current Services            | (73,009)          | (106,996)         | (88,031)          | -                   | -                          | -                             | -  |
| Other Revenue               | -                 | (5,110,390)       | (7,878,783)       | -                   | 600,000                    | -                             | (600,000)                                    |
| Other Financing Sources     | 600,000           | 34,691,165        | -                 | -                   | -                          | -                             | -  |
| Total Revenue               | 5,585,270         | 43,447,888        | 10,365,528        | 10,242,264          | 10,269,036                 | 9,635,191                     | (633,845)                                    |
| Operating Transfers In      | 4,211,371         | 209,685           | 3,642,172         | 3,971,085           | 3,758,750                  | 4,389,376                     | 630,626                                      |
| Total Financing Sources     | 9,796,641         | 43,657,573        | 14,007,700        | 14,213,349          | 14,027,786                 | 14,024,567                    | (3,219)                                      |
| Fund Balance                |                   |                   |                   |                     | 51,731,667                 | 46,128,900                    | (5,602,767)                                  |
| Budgeted Staffing           |                   |                   |                   |                     | 8.1                        | 8.1                           | -  |

Salaries and benefits of \$939,563 fund 8.1 budgeted positions and are increasing by \$11,246. The increased cost for salaries and benefits is the result of step increases partially offset by a decrease in worker's compensation.

Services and supplies of \$18,650,858 include the budgeting of undesignated fund balance, various costs associated with improving the area around the Auto Club Speedway and miscellaneous office expenses. Services and supplies have increased by \$299,849 generally due to an increase in anticipated project expenditures.



Travel is a new appropriation unit for 2008-09. The amount budgeted of \$12,900 reflects anticipated travel costs in the areas of private mileage, air travel, hotel, car rental and conference fees for this budget unit. These costs were based on departmental analysis of past travel related expenses previously budgeted in the services and supplies appropriation unit.

Other charges of \$3,794,450 represent debt service payments. Other charges increased by \$35,700 due to increases in principal and interest in the 2005A Series Bond payment schedule.

Land and improvements of \$6,000,000 include costs associated with the Rosemary/Iris Voluntary Sale Program and commercial/industrial land acquisitions. Both the Rosemary/Iris Voluntary Sale Program and the commercial/industrial land program have a \$3.0 million budget.

Transfers of \$10,646,998 to other county departments represent various costs, which include road projects, administrative charges, and storm drainage construction. Transfers have increased by \$1,445,422 primarily for road projects, flood control projects, and increases in administrative charges.

Contingencies of \$3,891,241 include funds held by the Trustee, Bank of NY for the 2005 Series A Tax Allocation Bonds.

Reimbursements of \$1,320,355 primarily represent payments from other Redevelopment Agency project funds to the Speedway administrative fund for staff charges. The decrease in reimbursements of \$71,857 includes decreases from other RDA project funds in the amount of \$77,549 for administrative charges and a \$5,692 increase from the Economic Development Agency for lease costs.

Operating transfers out of \$17,527,617 generally represent payments to County Fire for construction of a fire station and payments to others for a variety of projects. Operating transfers out have decreased by \$7,483,952 as 2005 Series A Tax Allocation Bond proceeds have been used in 2007-08 and are expected to be continued to be used in 2008-09.

Departmental revenue of \$14,024,567 reflects tax increment, interest revenue, and operating transfers in. The net decrease in revenue of \$3,219 represents an anticipated decrease in tax increment of \$285,945 almost fully offset by increases in interest revenue of \$252,100 and other revenue/operating transfers in of \$30,626. Other revenue of \$600,000 was reclassified to operating transfers in for 2008-09.

| PERFORMANCE MEASURES   |                   |                      |                      |                      |
|--|-------------------|----------------------|----------------------|----------------------|
| Description of Performance Measure   | 2006-07<br>Actual | 2007-08<br>Projected | 2007-08<br>Estimated | 2008-09<br>Projected |
| The number of applicants assisted in the Cedar Glen Housing Programs (Home Rehabilitation Loan and Grant Program and Land Use Services Program). | N/A               | 10                   | 10                   | 15                   |
| The number of applicants assisted in the Façade Improvement Program.   | N/A               | 10                   | 3                    | 10                   |
| The number of applicants assisted in the Volunteer Demolition Grant Program  | N/A               | 10                   | 5                    | 10                   |
| The total number of properties acquired as part of the Rosemary/Iris Voluntary Sales program to alleviate incompatible land use.                 | 20                | 40                   | 29                   | 44                   |

